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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Hanison Construction Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**興勝創建控股有限公司**  
**HANISON CONSTRUCTION HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 00896)

**(1) MAJOR AND CONNECTED TRANSACTION  
IN RELATION TO THE DISPOSAL  
OF AN INTEREST IN 151 HOLLYWOOD ROAD  
AND  
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee and  
the Independent Shareholders**

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橋  
BRIDGE PARTNERS

BRIDGE PARTNERS CAPITAL LIMITED

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A letter from the Independent Board Committee (as herein defined) containing its advice and recommendation to the Independent Shareholders (as herein defined) is set out on pages 17 to 18 of this circular. A letter from Bridge Partners (as defined herein), the Independent Financial Adviser to the Independent Board Committee and Independent Shareholders, is set out on pages 19 to 29 of this circular.

A notice convening the EGM (as herein defined) to be held at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 19 May 2015 at 11:30 a.m. is set out on pages 45 to 46 of this circular and a form of proxy is also enclosed. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. **Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.**

24 April 2015

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## DEFINITIONS

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*In this circular and the appendices to it, unless the context otherwise requires, the following terms and expressions have the following meanings:*

“Articles”	articles of association of the Company
“Board”	the board of Directors
“Business Day”	a day on which licensed banks in Hong Kong are open for general business and excludes Saturdays, Sundays, public holidays in Hong Kong and any day on which a tropical cyclone warning signal no. 8 or above is issued or remains issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. or on which a “black rainstorm” warning signal is issued or remains issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“CCM Trust”	CCM Trust (Cayman) Limited, a company incorporated in the Cayman Islands with limited liability and the corporate trustee of certain but not identical discretionary trusts of which members of the Cha Family are among the discretionary objects
“Cha Family”	a group of persons, comprising, inter alia, Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, all being Directors
“close associates”	has the meaning as ascribed to it under the Listing Rules
“Company”	Hanison Construction Holdings Limited (stock code: 00896), a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“Conditions Precedent”	the conditions precedent to Completion
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“Deed of Assignment”	the deed of assignment in respect of the Sale Loans to be entered into by Vendor A, Vendor B, the Purchaser and Superior Choice upon Completion
“Director(s)”	director(s) of the Company

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## DEFINITIONS

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“Disposal”	the disposal of the Sale Shares and the assignment of the Sale Loans pursuant to the Sale and Purchase Agreement
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of approving the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder) and any adjournment thereof
“Excel Pointer”	Excel Pointer Limited, a company incorporated in Hong Kong with limited liability and is an indirect non-wholly owned subsidiary of the Company and HKRI as at the Latest Practicable Date
“Group”	the Company and its subsidiaries
“Guarantor”	Mingly Corporation, a company incorporated in the Cayman Islands with limited liability and is an indirect majority owned subsidiary of CCM Trust
“HKRI”	HKR International Limited (stock code: 00480), a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Independent Board Committee”	an independent committee of the Board comprising Mr. Chan Pak Joe, Dr. Lau Tze Yiu, Peter and Dr. Sun Tai Lun, independent non-executive directors of the Company, established for the purpose of advising the Independent Shareholders on the fairness and reasonableness of the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder) so far as the Independent Shareholders are concerned

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## DEFINITIONS

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“Independent Financial Adviser” or “Bridge Partners”	Bridge Partners Capital Limited, a corporation licensed under the SFO to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder)
“Independent Shareholders”	independent shareholders of the Company excluding, for all purposes in connection with the approval of the Disposal, CCM Trust, Cha Mou Sing, Payson, Cha Mou Daid, Johnson and their respective close associates, including HKRI
“Latest Practicable Date”	21 April 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	4 months from the date of the Sale and Purchase Agreement
“Property”	all those pieces or parcels of ground registered in the Land Registry as The Remaining Portion of Sub-section 1 of Section E of Inland Lot No. 853, The Remaining Portion of Sub-section 2 of Section E of Inland Lot No. 853 and The Remaining Portion of Section E of Inland Lot No. 853 together with the messuages, erections and buildings thereon (No. 151 Hollywood Road, Hong Kong)
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, Macau and Taiwan)
“Purchaser”	Jinshang International Investment Company Limited, a company incorporated in the British Virgin Islands with limited liability

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## DEFINITIONS

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“Sale and Purchase Agreement”	the sale and purchase agreement dated 19 March 2015 entered into between Vendor A, Vendor B, the Guarantor and the Purchaser in respect of the Disposal
“Sale Loans”	Shareholder Loan A and Shareholder Loan B
“Sale Share A”	6 issued and fully paid up shares of Superior Choice, representing 60% of the entire issued share capital of Superior Choice, being registered and beneficially owned by Vendor A
“Sale Share B”	4 issued and fully paid up shares of Superior Choice, representing 40% of the entire issued share capital of Superior Choice, being registered and beneficially owned by Vendor B
“Sale Shares”	Sale Share A and Sale Share B
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Shareholder Loan A”	unsecured interest-free loan provided by Vendor A to Superior Choice and remains outstanding at Completion
“Shareholder Loan B”	unsecured interest-free loan provided by Vendor B to Superior Choice and remains outstanding at Completion
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Superior Choice”	Superior Choice Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect non-wholly owned subsidiary of the Company and HKRI as at the Latest Practicable Date
“subsidiary(ies)”	has the meaning as ascribed to it under the Listing Rules
“Target Companies”	Superior Choice and Excel Pointer

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## DEFINITIONS

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“Tax Deed”	the tax deed to be entered into by Vendor A, Vendor B, the Guarantor, the Purchaser and Excel Pointer upon Completion
“Vendor A”	Hanison Construction Holdings (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability
“Vendor B”	Sky Champion International Limited, a company incorporated in the British Virgin Islands with limited liability
“Vendors”	Vendor A and Vendor B
“%”	per cent

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LETTER FROM THE BOARD

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興勝創建控股有限公司  
**HANISON CONSTRUCTION HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 00896)

*Directors:–*

Mr. Cha Mou Sing, Payson (*Chairman*)\*  
Mr. Wong Sue Toa, Stewart (*Managing Director*)  
Mr. Tai Sai Ho (*General Manager*)  
Mr. Cha Mou Daid, Johnson\*  
Mr. Chan Pak Joe\*\*  
Dr. Lam Chat Yu\*  
Dr. Lau Tze Yiu, Peter\*\*  
Dr. Sun Tai Lun\*\*

\* *Non-executive Directors*

\*\* *Independent Non-executive Directors*

*Registered Office:–*

P.O. Box 309,  
Ugland House,  
Grand Cayman,  
KY1-1104, Cayman Islands

*Principal Place of Business  
in Hong Kong:*

Unit 1, 4/F., Block B  
Shatin Industrial Centre  
5-7 Yuen Shun Circuit  
Shatin, New Territories  
Hong Kong

24 April 2015

*To the Shareholders*

Dear Sir or Madam,

**(1) MAJOR AND CONNECTED TRANSACTION  
IN RELATION TO THE DISPOSAL  
OF AN INTEREST IN 151 HOLLYWOOD ROAD  
AND  
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the joint announcements of the Company and HKRI dated 19 March 2015 and 2 April 2015 in relation to the Disposal. On 19 March 2015 (after trading hours of the Stock Exchange), Vendor A, a wholly owned subsidiary of the Company and indirect non-wholly owned subsidiary of HKRI, Vendor B, an indirect majority owned subsidiary of the Guarantor, and the Guarantor entered into the Sale and Purchase Agreement with the Purchaser. Pursuant to the Sale and Purchase Agreement, (a) Vendor A has conditionally agreed to sell the Sale Share A

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## LETTER FROM THE BOARD

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and to assign the Shareholder Loan A; (b) Vendor B has conditionally agreed to sell the Sale Share B and to assign the Shareholder Loan B, at a total cash consideration of HK\$550 million (subject to adjustment, if any), to be divided in the proportion of 60:40 for Vendor A and Vendor B respectively; (c) the Guarantor has agreed to guarantee the performance by Vendor B of its obligations under the Sale and Purchase Agreement; and (d) the Purchaser has conditionally agreed to purchase the Sale Shares and to accept the assignment of the Sale Loans.

The purpose of this circular is to provide you with (a) details on the Disposal; (b) the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser; and (c) notice of the EGM thereof.

### SALE AND PURCHASE AGREEMENT

**Date:**

19 March 2015

**Parties:**

- (a) Hanison Construction Holdings (BVI) Limited, a wholly owned subsidiary of the Company (as Vendor A)
- (b) Sky Champion International Limited, an indirect majority owned subsidiary of the Guarantor (as Vendor B)
- (c) Mingly Corporation (as the Guarantor)
- (d) Jinshang International Investment Company Limited (as the Purchaser)

Vendor B is an indirect majority owned subsidiary of the Guarantor which is in turn indirectly majority owned by CCM Trust. CCM Trust (as the trustee of certain but not identical discretionary trusts of which members of the Cha Family are among the discretionary objects) is a substantial shareholder and connected person of the Company with approximately 68.3% direct and indirect shareholding interest in the Company. Vendor B is, therefore, a connected person so far as the Company is concerned.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons.

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## LETTER FROM THE BOARD

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### **Subject of the Disposal**

Pursuant to the Sale and Purchase Agreement, (a) Vendor A has conditionally agreed to sell the Sale Share A and to assign the Shareholder Loan A; (b) Vendor B has conditionally agreed to sell the Sale Share B and to assign the Shareholder Loan B, at a total cash consideration of HK\$550 million (subject to adjustment, if any), to be divided in the proportion of 60:40 for Vendor A and Vendor B, respectively; (c) the Guarantor has agreed to guarantee the performance by Vendor B of its obligations under the Sale and Purchase Agreement; and (d) the Purchaser has conditionally agreed to purchase the Sale Shares and to accept the assignment of the Sale Loans.

Vendor A and Vendor B own 60% and 40% of Superior Choice respectively. The Sale Shares represent the entire issued share capital of Superior Choice and the Sale Loans (advanced in the same pro rata proportions) represent all outstanding principal amounts of the shareholders' loans owing by Superior Choice to the Vendors as at the date of Completion.

### **The Consideration**

The consideration of HK\$550 million for the Sale Shares and the Sale Loans has been/shall be paid in cash in the following manner:

- (a) 5% of the consideration, being the initial deposit, upon signing of the Sale and Purchase Agreement, to the Vendors' solicitors as stakeholder, who shall release the same to the respective Vendors upon fulfillment of the Conditions Precedent;
- (b) 5% of the consideration being the further deposit to the respective Vendors upon completion of the due diligence investigation; and
- (c) balance of the consideration to the respective Vendors on Completion.

Out of the consideration, a sum equal to the principal amount of the Shareholder Loan A and the Shareholder Loan B outstanding on the date of Completion shall be the consideration on a dollar for dollar basis for the Shareholder Loan A and the Shareholder Loan B respectively. As at 28 February 2015, the principal amount outstanding of the Shareholder Loan A and the Shareholder Loan B was approximately HK\$114.4 million and HK\$76.2 million respectively.

The consideration is subject to Completion adjustment by the difference in net current asset value as at the date of Completion based on draft consolidated completion accounts of Superior Choice and post-Completion adjustment by the difference in net current asset value as at the date of Completion based on audited consolidated completion accounts of Superior Choice to be delivered by the Vendors to the Purchaser within 60 days from the date of Completion.

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## LETTER FROM THE BOARD

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In settling on the consideration of HK\$550 million, the Vendors appointed DTZ Debenham Tie Leung Limited, an independent professional valuer, to conduct a property valuation of the Property, under which the market value of the Property as at 2 March 2015 was determined to be HK\$550 million. In valuing the Property at HK\$550 million, DTZ Debenham Tie Leung Limited adopted an investment approach by taking into account the current rents passing and the reversionary income potential of the tenancies and, wherever appropriate, the direct comparison approach, by making reference to comparable sale evidence as available in the relevant market. The leased portion of the Property is currently let at a monthly rental of approximately HK\$750,000.

### **Conditions Precedent**

Completion is conditional upon the following Conditions Precedent being satisfied (or waived, where applicable) on or before the Long Stop Date:

- (a) the obtaining of approval from the Shareholders at the EGM (which, for these purposes, is being treated by the Company as extending to the approval of the independent shareholders of HKRI) of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules;
- (b) the Purchaser being reasonably satisfied in material respects with its due diligence investigation in respect of the Target Companies, including but not limited to the investigation as to the legal, tax and financial status and compliance of all relevant legislation applicable to the Target Companies, and the condition of the Property and that Excel Pointer has good title to the Property; and
- (c) from the date of the Sale and Purchase Agreement, there not being any change or event that has had, or could reasonably be expected to have, a material adverse effect on the business, assets, properties, liabilities, condition (financial or otherwise), operating results, operations or business prospects of the Target Companies.

The Purchaser may waive any of the Conditions Precedent, save and except Condition Precedent (a) above. The parties must use their respective reasonable endeavours to procure that the above Conditions Precedent are fulfilled. If the Conditions Precedent are not fulfilled or waived (if applicable) on or before the Long Stop Date, the obligations of the parties under the Sale and Purchase Agreement will forthwith cease and terminate and neither party will have any claim against the other party, save as to any antecedent breach. Condition Precedent (c) above will at all times remain to be a Condition Precedent for Completion unless it has been waived by the Purchaser.

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## LETTER FROM THE BOARD

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The due diligence investigation to be conducted under Condition Precedent (b) above must be completed within 2 months after the date documents and information are first requested (done within 5 Business Days after the date of Sale and Purchase Agreement) by the Purchaser or its appointed advisers and the Purchaser must issue a notice in writing to the Vendors confirming whether it is satisfied with or has elected to waive (as the case may be) the Condition Precedent (b) above upon expiration of the 2 months period.

### **Guarantee**

The Guarantor has agreed to guarantee as primary obligor the performance by Vendor B of its obligations under the Sale and Purchase Agreement. The guarantee does not extend to the obligations of Vendor A.

### **Completion**

Completion will take place on the 14th Business Day following the day on which all of the Conditions Precedent have been satisfied or waived.

### **DEED OF ASSIGNMENT**

The Deed of Assignment will be entered into by the parties upon Completion.

#### **Parties:**

- (a) Vendor A (as assignor)
- (b) Vendor B (as assignor)
- (c) Purchaser (as assignee)
- (d) Superior Choice (consenting the assignment)

#### **Principal terms of the Deed of Assignment:**

Pursuant to the Deed of Assignment, Vendor A and Vendor B, as the respective legal and beneficial owners, shall assign to the Purchaser all rights and interests in the Shareholder Loan A and the Shareholder Loan B respectively, which will represent all then outstanding loans due and owing to Vendor A and Vendor B by Superior Choice.

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## LETTER FROM THE BOARD

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### TAX DEED

The Tax Deed will be entered into by the parties upon Completion.

#### Parties:

- (a) Vendor A (as covenantor)
- (b) Vendor B (as covenantor)
- (c) Guarantor (as guarantor for Vendor B)
- (d) Purchaser (as beneficiary)
- (e) Excel Pointer (as beneficiary)

#### Principal terms of the Tax Deed:

Pursuant to the Tax Deed, Vendor A will undertake as to 60%, and Vendor B and the Guarantor shall undertake jointly and severally as to 40%, to indemnify the Purchaser and Excel Pointer against any claim for liability to taxation that relates to matters arising prior to Completion, whether made against any of the Target Companies before or after the date of Completion.

### INFORMATION ON THE TARGET COMPANIES AND THE PROPERTY

Superior Choice is an investment holding company, and its principal asset is the 100% equity interest in Excel Pointer which is the legal and beneficial owner of the Property.

The Property is a 26-storey commercial building situated at No. 151 Hollywood Road, Hong Kong and has an aggregate gross floor area of approximately 32,728 square feet. The Property is sold subject to tenancies.

Set out below is unaudited consolidated financial information of the Target Companies for the years ended 31 March 2013 and 2014:

	For the year ended	
	31 March	
	2013	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net (loss)/profit before taxation and extraordinary items	(7,623)	<b>21,589</b>
Net (loss)/profit after taxation and extraordinary items	(7,699)	<b>20,796</b>

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## LETTER FROM THE BOARD

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The major reason attributable to the change in the unaudited consolidated financial information of the Target Companies from a net loss before and after taxation and extraordinary items for the year ended 31 March 2013 to a net profit before and after taxation and extraordinary items for the year ended 31 March 2014 was due to the change in fair value of the Property over the period of the two financial years.

The unaudited consolidated net asset value of the Target Companies as at 28 February 2015 is approximately HK\$54.2 million.

The Property was acquired by the Company through Excel Pointer on 30 November 2012 and 40% of the issued share capital and the then outstanding shareholder's loan of Excel Pointer was subsequently sold and assigned to Vendor B on 17 December 2012.

Upon Completion, the Target Companies will cease to be subsidiaries of the Company, and their financial results will cease to be consolidated in the consolidated financial statements of the Group.

### **INFORMATION ON THE COMPANY AND VENDOR A**

The principal business activity of the Company is investment holding. Its subsidiaries are principally engaged in construction, interior and renovation works, supply and installation of building materials, property investment, property development, provision of property agency and management services and sale of health products. The Company is controlled by the Cha Family, members of which, for this purpose include HKRI, which (directly and via its wholly owned subsidiary) holds 49% of the issued share capital of the Company. The Company is accounted for as a subsidiary of HKRI.

Vendor A is a wholly owned subsidiary of the Company incorporated in the British Virgin Islands, and directly and indirectly holds a 60% equity interest in the Target Companies.

### **INFORMATION ON VENDOR B AND THE GUARANTOR**

The principal business activity of Vendor B is investment holding. Vendor B is an indirect majority owned subsidiary of the Guarantor, which is in turn indirectly majority owned by CCM Trust, and indirectly holds a 40% equity interest in the Target Companies. The Guarantor is a company incorporated in the Cayman Islands, the principal activity of which is investment holding.

Given that CCM Trust is (an indirect) substantial shareholder of the Company, it is the case that Vendor B and the Guarantor, as CCM Trust's close associates, are treated as connected persons of the Company.

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## LETTER FROM THE BOARD

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### INFORMATION ON THE PURCHASER

The principal business activity of the Purchaser is investment holding and it is a company incorporated in the British Virgin Islands.

### REASONS FOR AND BENEFITS OF THE DISPOSAL AND THE PROPOSED USE OF PROCEEDS

The Directors undertake strategic reviews of its assets from time to time with a view to maximising returns to the Shareholders. The Directors consider that the current market presents a good opportunity for the group to unlock the value of the Property. Accordingly, the Directors believe that the Disposal will enable the Company to reallocate capital into future investment opportunities and pursue other growth opportunities.

The Company intends to apply the net proceeds (in respect of its proportion of 60% equity interest in the Target Companies) from the Disposal to repay bank loans and as general working capital, available to finance a possible property investment project and/or other business investments.

The net proceeds are intended to be applied as follows: 27% to be used for repayment of bank loans and the remaining 73% to be used as general working capital to finance the possible acquisition of companies holding a 25-storey serviced residence building located at 111 High Street, Hong Kong which details are set out in the announcement of the Company dated 30 March 2015. The aforementioned applications of the net proceeds are expected to be utilised during the financial year ending 31 March 2016.

Accordingly, the Directors (excluding Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson who abstained from voting on the relevant board resolutions due to their deemed interest in the Disposal) consider that the Disposal and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### FINANCIAL EFFECTS OF THE DISPOSAL

#### Earnings

As set out in the section headed “The Consideration”, the Property is subject to, and sold with the benefit of, subsisting tenancies. The monthly rental of such tenancies is approximately HK\$750,000 (inclusive of management fee, Government rent and rates for all the units and utilities (with electricity for up to certain limit), as appropriate, and cleaning for all units except for those on roof floor). Upon Completion, the Company will lose rental income from the Disposal and will have a negative effect on the earnings of the Company but will reduce expenses incurred for the Target Companies and finance costs incurred from the bank loan of Excel Pointer.

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## LETTER FROM THE BOARD

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### Assets and Liabilities

Upon Completion, it is estimated that the Company will realise a gain on the Disposal before taxation attributable to the owners of the Company of approximately HK\$81 million (being 60% of the cash consideration of HK\$550 million less the net book value of the Property as at 28 February 2015, being approximately HK\$390 million, and other related expenses).

The total assets and total liabilities of the Company are expected to decrease immediately after Completion, due to the deconsolidation of the Target Companies. The actual gain on the Disposal to be recorded by the Company is subject to audit and may be different from the estimated amount, as the actual gain or loss will depend on, amongst other things, the actual net asset value of the Target Companies as at Completion.

### LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined in the Listing Rules) for the Disposal exceeds 25%, with all being less than 75% for the Company, the Disposal constitutes a major transaction of the Company and is subject to the announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

In addition, Vendor B is an indirect wholly owned subsidiary of the Guarantor which is, in turn, indirectly majority owned by CCM Trust. CCM Trust (as the trustee of certain but not identical discretionary trusts of which members of the Cha Family are among the discretionary objects) is a substantial shareholder and connected person of the Company, with approximately 68.3% direct and indirect shareholding interest in the Company. Accordingly, Vendor B is a connected person of the Company and for the purpose of the Listing Rules, the Disposal constitutes a connected transaction on the part of the Company under Chapter 14A of the Listing Rules. This is the case even though the Purchaser itself is an independent third party. The Disposal is therefore also subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Each of Mr. Cha Mou Sing, Payson (non-executive chairman of the Company) and Mr. Cha Mou Daid, Johnson (non-executive director of the Company) are considered to have a material interest in the Disposal and were required to abstain, and did abstain, from voting on the relevant board resolutions to approve the same. Save for the above, no Director has a material interest in the Disposal and none were required to abstain or did abstain from, voting on the relevant board resolutions to approve the Disposal.

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## LETTER FROM THE BOARD

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Each of CCM Trust (which has a direct interest in the Company and indirect interest through HKRI), Mr. Cha Mou Sing, Payson (who has direct and deemed interests in the Company) and Mr. Cha Mou Daid, Johnson (who has deemed interests in the Company) and their respective close associates (which for the avoidance of doubt, includes HKRI) are required to abstain, and will abstain, from voting at the EGM on resolutions approving the Disposal and the transactions contemplated thereunder. The Cha Family (including for this purpose, HKRI) between them are interested in 392,349,681 shares representing approximately 73.16% of the issued share capital of the Company.

An announcement on the results of the EGM in respect of the Disposal will be made by the Company as soon as practicable after the conclusion of the EGM, in compliance with the requirements under the Listing Rules.

### **VOTING AT THE EGM**

Pursuant to rule 13.39(4) of the Listing Rules and article 80 of the Articles, the votes of the Independent Shareholders at the EGM will be taken by poll and the Company shall announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

Pursuant to article 85 of the Articles, on a poll, every member who is present in person (or, in the case of a corporation, is present by its duly authorised representative or a proxy) or by proxy shall have one vote for each fully-paid Share registered in his name in the register. A member entitled to more than one vote is under no obligation to cast all his votes in the same way.

### **EGM**

The notice convening the EGM is set out on pages 45 to 46 of this circular. Enclosed with this circular is the form of proxy for use at the EGM. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors (excluding Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, who have abstained from voting on the relevant board resolutions due to their deemed interests in the Disposal) consider that the terms of the Sale and Purchase Agreement (including the Consideration), the Deed of Assignment and the Tax Deed are normal commercial terms and are fair and reasonable and that the Disposal is in the interests of the Company and the Shareholders as a whole. They, accordingly, recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM in relation to the Disposal and the transactions contemplated thereunder.

### ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee set out in this circular which contains its recommendation to the Independent Shareholders as to voting at the EGM in relation to the Disposal and the transactions contemplated thereunder.

Your attention is also drawn to the letter from the Independent Financial Adviser set out in this circular which contains its advice to the Independent Board Committee and Independent Shareholders as regards the Disposal and the transactions contemplated thereunder, and the principal factors and reasons considered by it in rendering that advice.

Your attention is drawn to the additional information set out in the appendices to this circular and the notice of the EGM.

The Independent Board Committee has considered the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment and the Tax Deed) and the transactions contemplated thereunder, and the advice given by the Independent Financial Adviser and recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM in relation to the Disposal and the transactions contemplated thereunder.

Yours faithfully,  
By Order of the Board  
**Wong Sue Toa, Stewart**  
*Managing Director*



**興勝創建控股有限公司**  
**HANISON CONSTRUCTION HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 00896)

24 April 2015

*To the Independent Shareholders*

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION  
IN RELATION TO THE DISPOSAL**

**INTRODUCTION**

Reference is made to the circular dated 24 April 2015 issued by the Company to the Shareholders, of which this letter forms part. The terms defined in the circular shall have the same meanings when used in this letter, unless the context requires otherwise.

The Independent Board Committee has been constituted by the Board to advise the Independent Shareholders in respect of the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder) and to make a recommendation as to voting at the EGM. Bridge Partners Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee on the fairness and reasonableness of the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder) so far as the Independent Shareholders are concerned.

The terms of the Disposal are summarised in the section headed “Letter from the Board” set out on pages 6 to 16 of the circular. In addition, you are strongly urged to read Bridge Partners’ letter to the Independent Board Committee and the Independent Shareholders, which is set out on pages 19 to 29 of the circular. As referred to in the section headed “Letter from the Board”, each of CCM Trust (Cayman) Limited, Cha Mou Sing, Payson and Cha Mou Daid, Johnson and their respective close associates, as interested parties, will abstain from voting on the ordinary resolution to be proposed at the EGM for approving the Disposal. Pursuant to rule 13.39(4) of the Listing Rules and article 80 of the Articles, the votes of the Independent Shareholders at the EGM will be taken by poll.

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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### RECOMMENDATION

The Independent Board Committee has met with the management of the Company to discuss the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder) and its reasons for entering into it and has considered Bridge Partners' letter.

Taking into account the principal factors and reasons considered and the recommendation given by Bridge Partners, the Independent Board Committee considers that the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder) is on normal commercial terms and in the ordinary course of business of the Group. The Independent Board Committee is of further opinion that the Disposal is in the interests of the Company and the Shareholders as a whole and is fair and reasonable.

Accordingly, the Independent Board Committee recommends that you vote in favour of the ordinary resolution as set out in the notice convening the EGM on pages 45 to 46 of the circular to approve the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder) and authorising the directors of the Company and/or its subsidiaries to enter into and implement the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder).

Yours faithfully,

For and on behalf of the Independent Board Committee of  
**Hanison Construction Holdings Limited**

**CHAN Pak Joe**

**LAU Tze Yiu, Peter**

**SUN Tai Lun**

*Independent Non-executive Directors*

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## LETTER FROM BRIDGE PARTNERS

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*The following is the text of a letter of advice to the Independent Board Committee and the Independent Shareholders from Bridge Partners regarding the Disposal (including the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transaction(s) contemplated thereunder) prepared for the purpose of inclusion in this circular.*



BRIDGE PARTNERS CAPITAL LIMITED

Room 3303, 33/F, West Tower, Shun Tak Centre,  
200 Connaught Road Central, Hong Kong

24 April 2015

*To the Independent Board Committee  
and the Independent Shareholders of  
Hanison Construction Holdings Limited*

Dear Sir or Madam,

### MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL

#### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposal (including the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transaction(s) contemplated thereunder), details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular dated 24 April 2015 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 19 March 2015, Hanison Construction Holdings (BVI) Limited (“**Hanison BVI**”), a wholly owned subsidiary of the Company and an indirect non-wholly owned subsidiary of HKRI, Sky Champion International Limited (“**Sky Champion**”), an indirect majority owned subsidiary of Mingly Corporation (“**Mingly**”), and Mingly, being the Guarantor, entered into the Sale and Purchase Agreement with Jinshang International Investment Company Limited (“**Jinshang International**”), an independent third party, pursuant to which (a) Hanison BVI conditionally agreed to sell 6 issued and fully paid up shares of Superior Choice which are beneficially owned by Hanison BVI, representing 60% of the entire issued share capital of Superior Choice (the “**Sale Share A**”) and to assign the unsecured interest-free loan provided by Hanison BVI to

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## LETTER FROM BRIDGE PARTNERS

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Superior Choice and remains outstanding at Completion (the “**Shareholder Loan A**”); (b) Sky Champion conditionally agreed to sell 4 issued and fully paid up shares of Superior Choice which are beneficially owned by Sky Champion, representing 40% of the entire issued share capital of Superior Choice (the “**Sale Share B**”) and to assign the unsecured interest-free loan provided by Sky Champion to Superior Choice and remains outstanding at Completion (the “**Shareholder Loan B**”) at a total cash consideration of HK\$550 million (subject to adjustment, if any) which shall be divided in the proportion of 60:40 for Hanison BVI and Sky Champion respectively.

Superior Choice is an investment holding company and its principal asset is the 100% equity interest in Excel Pointer which is the legal and beneficial owner of the Property.

Sky Champion is an indirect majority owned subsidiary of Mingly which is in turn indirectly majority owned by CCM Trust, while CCM Trust (as the trustee of certain but not identical discretionary trusts of which members of the Cha Family are among the discretionary objects) is a substantial shareholder of the Company with approximately 68.3% direct and indirect shareholding interest in the Company. Since Sky Champion and Mingly are associates of one or more members of the Cha Family, who together control, through a combination of direct and indirect interests, each of HKRI and the Company, therefore, Sky Champion and Mingly are connected persons of both the Company and HKRI. As Sky Champion is a co-seller of shares and loan interests in Superior Choice, selling its interests in Superior Choice alongside the Company, notwithstanding that the Purchaser is an independent third party, the Disposal constitutes a connected transaction for both the Company and HKRI. Also, the applicable percentage ratio(s) (as defined in the Listing Rules) of the Disposal exceed 25% but are less than 75% for the Company, the Disposal constitute a major and connected transaction under Chapter 14 and Chapter 14A of the Listing Rules, and is subject to the reporting, announcement and independent shareholders’ approval requirements.

Each of CCM Trust (which has direct and indirect (through HKRI) interest in the Company), Mr. Cha Mou Sing, Payson (who has direct and deemed interest in the Company) and Mr. Cha Mou Daid, Johnson (who has deemed interest in the Company) and their respective close associates (which for the avoidance of doubt, including HKRI) are required to abstain from voting in the EGM on resolution approving the Disposal.

An Independent Board Committee comprising Mr. Chan Pak Joe, Dr. Lau Tze Yiu, Peter and Dr. Sun Tai Lun (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the Disposal is on normal commercial terms and in the ordinary and usual course of business of the Company and fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole; and (ii) how the Independent Shareholders should vote in respect of the relevant ordinary resolution(s) to approve the Disposal at the EGM. Our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders in these regards.

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## LETTER FROM BRIDGE PARTNERS

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### BASIS OF OUR OPINION

In arriving at our opinion and recommendation, we have relied on the information supplied, the opinion and representations expressed by the Directors and the management of the Company. We have reviewed, among others: (i) the Circular; (ii) the Sale and Purchase Agreement; (iii) the terms of Deed of Assignment; (iv) the terms of the Tax Deed; (v) information on the Property, including but not limited to the land record of the Property from Land Registry of Hong Kong and (vi) the property valuation report prepared by DTZ Debenham Tie Leung Limited (“DTZ”). We have also sought and received confirmation from the Directors and management of the Group that all material relevant information has been supplied to us and that no material facts have been omitted from the information supplied and opinions expressed to us. We have no reason to doubt the truth or accuracy of the information provided to us, or to believe that any material information has been omitted or withheld. We have performed all necessary steps as required under Rule 13.80 of the Listing Rules, including the notes thereto, to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinions and have relied on such information and consider that the information we have received is sufficient for us to reach our advice and recommendation as set out in this letter and to justify our reliance on such information. We have assumed that all representations contained or referred to in the Circular are true as at the Latest Practicable Date.

We have not, however, conducted any form of in-depth investigation into the business affairs, financial position or future prospects of the Group or carried out any independent verification of the information supplied, representations made or opinions expressed by the Company, the Directors and the management of the Group, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Disposal.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Disposal, and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent. Nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

### PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Disposal, we have taken into consideration the following principal factors and reasons:

#### 1. Information on the Group

The Group is principally engaged in construction, interior and renovation works, supply and installation of building materials, property investment, property development, provision of property agency and management services and sale of health products. According to the interim report of the Company for the six months ended 30 September 2014 (the “**Interim Report**”), the

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## LETTER FROM BRIDGE PARTNERS

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investment property of the Group amounted to approximately HK\$909.3 million while rental income from property investment of the Group contributed approximately HK\$12.6 million to the Group's total turnover of approximately HK\$759.07 million (representing approximately 1.66%) during the six months ended 30 September 2014.

As at the Latest Practicable Date and except for the Property, the subject of the Disposal, in which the Group has 60% interest, the Group's remaining investment properties include certain workshops at Shatin Industrial Centre, the property at 31 Wing Wo Street in Sheung Wan, some units at Kin Wing Industrial Building in Tuen Mun, various land lots in Demarcation District 76 Ping Che in Fanling, various land lots in Demarcation District 128 Deep Bay Road in Yuen Long and Hoi Bun Godown in Tuen Mun in which the Group has 50% interests.

### 2. Financial information of Superior Choice and its subsidiary

Superior Choice is an investment holding company and its principal asset is the 100% equity interest in Excel Pointer which is the legal and beneficial owner of the Property. The Property is a 26-storey commercial building situated at No. 151 Hollywood Road, Hong Kong and has an aggregate gross floor area of approximately 32,728 square feet. The Property will be sold subject to tenancies.

Set out below is unaudited consolidated financial information of the Target Companies for the years ended 31 March 2013 and 31 March 2014:

	For the year ended	
	31 March	
	2013	2014
	HK\$'000	HK\$'000
Net (loss)/profit before taxation and extraordinary items	(7,623)	21,589
Net (loss)/profit after taxation and extraordinary items	(7,699)	20,796

The unaudited consolidated net asset value of the Target Companies as at 28 February 2015 is approximately HK\$54.2 million.

### 3. Background of and reasons for the Disposal

The Property is a 26-storey commercial building situated at No. 151 Hollywood Road, Hong Kong, and has an aggregate gross floor area of approximately 32,728 square feet.

On 21 September 2012, Excel Pointer (as the purchaser) entered into a sale and purchase agreement (the "1st 2012 SPA") with Cheston Investment (Group) Limited (as the vendor), pursuant to which Cheston Investment (Group) Limited agreed to sell and Excel Pointer agreed to purchase the Property at the purchase Price of HK\$318 million. After completion of the 1st 2012 SPA, Excel Pointer is the beneficial owner of the Property.

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## LETTER FROM BRIDGE PARTNERS

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Before completion of the 1st 2012 SPA, Hanison BVI (as the vendor) entered into a sale and purchase agreement (the “**2nd 2012 SPA**”) with Sky Champion (as the purchaser), pursuant to which Hanison BVI agreed to sell and Sky Champion agreed to purchase 40% of the issued share capital of Superior Choice. Upon completion of the 2nd 2012 SPA, Hanison BVI and Sky Champion held 60% and 40% of the issued share capital of Superior Choice respectively, which in turn holds 100% of the issued share capital of Excel Pointer and therefore the Property.

On 19 March 2015, Hanison BVI, a wholly owned subsidiary of the Company and an indirect non-wholly owned subsidiary of HKRI, Sky Champion, an indirect majority owned subsidiary of the Mingly, and Mingly, being the Guarantor, entered into the Sale and Purchase Agreement with Jinshang International, pursuant to which (a) Hanison BVI conditionally agreed to sell Sale Share A and to assign Shareholder Loan A; (b) Sky Champion conditionally agreed to sell Sale Share B and to assign Shareholder Loan B at a total cash consideration of HK\$550 million (subject to adjustment, if any) which shall be divided in the proportion of 60:40 for Hanison BVI and Sky Champion respectively.

Upon Completion, which shall take place on or before 18 July 2015, Jinshang International will be the owner of the Property.

According to the Letter from the Board, the Directors consider that the current market presents a good opportunity for the Group to unlock the value of the Property and they believe that the Disposal will enable the Company to reallocate capital into future investment opportunities and pursue other growth opportunities.

We noted that the Property was valued at HK\$318 million as of 1 November 2012 by Savills Valuation and Professional Services Limited, which was the same as the consideration Excel Pointer had paid for the acquisition of the Property. According to the valuation report prepared by DTZ, the Property was valued at HK\$550 million as of 2 March 2015, which represents an increase in value of the Property of approximately HK\$232 million in a period of less than 3 years.

In order to assess the fairness and reasonableness of the Disposal, we have reviewed the recent trend of the property market in Hong Kong for the period from September 2012 (date of acquisition of Property by Excel Pointer) to February 2015 (latest available data) (the “**Review Period**”). According to the Office Price Index provided by the Rating and Valuation Department of The Government of the Hong Kong Special Administrative Region, during the Review Period, the price index of Grade A private office has increased by approximately 15.0% while the price index of Grade B private office has increased by approximately 27.8%. In view of the above, the rate of increase of the value of the Property (classified as Grade B private office according to the management of the Company) is significant higher than those of the office price index, both Grade A and Grade B private offices. We consider that the Disposal presents a good opportunity for the Group to capture the appreciation of the value of the Property.

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## LETTER FROM BRIDGE PARTNERS

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According to the Interim Report, the Group had undertaken major construction works as contractor, including a composite development at Nos. 1-21 Dundas Street, Kowloon, the redevelopment at No. 23 Tong Chong Street, Quarry Bay, Hong Kong, the residential and commercial development at No. 5 Tung Yuen Street, Yau Tong, Kowloon (“**Construction Works**”). Further, the Group has other residential development projects including The Austine Place at No. 38 Kwun Chung Street, Kowloon, Tong Yan San Tsuen in Yuen Long, Lau Fau Shan in Yuen Long, So Kwun Wat at Tuen Mun and Lok Lam Road at Fo Tan (collectively referred to as the “**Hong Kong Projects**”). Save for the Hong Kong Projects, the Group also owns 49% interests in a parcel of land situated at West of Wenyuan Road and South of Houfutinggang, Haining, Zhejiang Province, the PRC for development of, among others, office, retail and carpark (the “**PRC Project**”). The pre-sale of the PRC Project has been commenced with a total of 53 commodity house purchase and sale contracts and 25 purchase letters were signed up to 30 September 2014. As advised by the management of the Company, the Company anticipates that additional capital may be needed for developing the Hong Kong Projects and the PRC Project and as working capital for Construction Works undertaken. In addition to its existing projects, the Group will continue to identify opportunities to acquire land and properties at affordable prices for future property development due to its positive outlook on the Hong Kong commercial and industrial property markets. The management of the Company also confirms that the Group will continue to assess and enlarge its investment property portfolio for securing steady income streams.

As disclosed in the Letter from the Board, the Disposal will enable the Company to realise a gain of approximately HK\$81.0 million, taking into account its 60% equity interest in the Target Companies. The proceeds will be used to repay bank loan, develop the existing Hong Kong Projects and the PRC Project and as working capital for Construction Works undertaken, finance any possible property investment project and/or other business investment and for general working capital of the Group. In view of the above, we consider that the entering into the Sale and Purchase Agreement is in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM BRIDGE PARTNERS

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#### 4. Principal terms of the Sale and Purchase Agreement, the Deed of Assignment and the Tax Deed

##### a. *The Sale and Purchase Agreement*

The followings are our analyses on the principal terms of the Sale and Purchase Agreement:

##### (i) *Consideration*

The consideration of HK\$550 million for the Sale Shares and the Sale Loans (the “**Consideration**”) shall be paid in cash in the following manners:

- (a) 5% of the Consideration being the initial deposit upon signing of the Sale and Purchase Agreement to the Vendors’ solicitors as stakeholder who shall release to the respective Vendors upon fulfillment of the Conditions Precedent;
- (b) 5% of the Consideration being the further deposit to the respective Vendors upon completion of the due diligence investigation; and
- (c) balance of the Consideration to the respective Vendors on Completion. Out of the Consideration, a sum equal to the principal amount of the Shareholder Loan A and the Shareholder Loan B outstanding on the date of Completion shall be the consideration on a dollar for dollar basis for the Shareholder Loan A and the Shareholder Loan B respectively.

As of 28 February 2015, the principal amount outstanding of the Shareholder Loan A and the Shareholder Loan B was approximately HK\$114.4 million and HK\$76.2 million respectively.

The Consideration is subject to Completion adjustment by the difference in net current asset value as of the date of Completion based on a draft consolidated completion accounts of Superior Choice and post Completion adjustment by the difference in net current asset value as of the date of Completion based on an audited consolidated completion accounts of Superior Choice to be delivered by the Vendors to the Purchaser within 60 days from the date of Completion.

According to the Letter from the Board, the Consideration was determined between the parties by making reference to the valuation of the Property as at 2 March 2015 of HK\$550 million prepared by DTZ, an independent professional valuer. In order to assess the valuation of the Property, we have reviewed and enquired with DTZ regarding the methodology of, and basis and assumptions adopted for the valuation of the Property (the “**Property Valuation**”). We understand that the

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## LETTER FROM BRIDGE PARTNERS

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Property Valuation adopted the investment approach by taking into account the current rents passing and the reversionary income potential of the tenancies or, whatever appropriate, the direct comparison approach by marking reference to comparable sale evidence as available in the relevant market. As confirmed by DTZ, investment approach is a commonly adopted approach for valuation of the commercial properties in Hong Kong and is also consistent with normal market practices.

We have interviewed DTZ regarding its expertise and experience in relation to the performance of the Property Valuation and understand that DTZ is one of the largest and longest established real estate advisory firms in North Asia. Based on our discussion with DTZ, we understand that the valuer-in-charge of this valuation assignment has over 30 years of experience in property valuation in Hong Kong and his supporting team member has over 10 years of experience in property valuation in Hong Kong. DTZ confirmed that it is independent from the Company.

We have also reviewed the terms of DTZ's engagement letter and noted that the purpose of which is to prepare a current market valuation of the Property. The engagement letter also contains standard valuation scopes that are typical of property valuation carried out by independent property valuers. During the course of our discussion with DTZ, we have not identified any major factor which causes us to doubt the fairness and reasonableness of the principal basis and assumptions used by DTZ in arriving at the Property Valuation.

We have also compared the Consideration with the net asset value of the Target Companies. According to the unaudited consolidated management accounts of the Target Companies as of 28 February 2015, with the Property being valued at HK\$550 million according to the Property Valuation, the unaudited consolidated net asset value of the Target Companies are approximately HK\$213.8 million.

Having considered the above, we are of the view that the Consideration is on normal commercial terms and is fair and reasonable so far as the Independent Shareholders are concerned.

*(ii) Conditions Precedent*

Please refer to the sub-section headed "The Sale and Purchase Agreement – Conditions Precedent" in the Letter from the Board.

*(iii) Guarantee*

The Guarantor agreed to guarantee as primary obligor the performance by Sky Champion of its obligations under the Sale and Purchase Agreement.

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## LETTER FROM BRIDGE PARTNERS

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*(iv) Completion*

Completion shall take place on the 14th Business Day following the day on which all of the Conditions Precedent has been satisfied or waived.

If the aforementioned conditions precedent cannot be satisfied (or waived) before 18 July 2015, then, subject to any extension agreed by the parties, the Sale and Purchase Agreement shall be terminated automatically without the need for any further action by either party.

Having considered the above, we are of the view that the terms of the Sale and Purchase Agreement are normal commercial terms and are fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Group and the Shareholders as a whole.

***b. Deed of Assignment***

Pursuant to the Deed of Assignment, Hanison BVI and Sky Champion as the respective legal and beneficial owners shall assign unto Jinshang International all rights and interests in the Sale Loans which shall represent all outstanding loans due and owing to Hanison BVI and Sky Champion by Superior Choice. The Sale Loans were provided by Hanison BVI and Sky Champion, in the proportion of 60:40, to Superior Choice for financing 50% of the cost of the acquisition of the Property on 21 September 2012 (i.e. HK\$159 million and all related costs and expenses) from Cheston Investment and working capital of the Target Companies.

We have reviewed the terms of the Deed of Assignment and are not aware of any term which is uncommon. Given that it was a commercial decision between the parties to include the delivery of the Deed of Assignment upon Completion by the Company to Jinshang International as a term of the Sale and Purchase Agreement, and that the terms of the Deed of Assignment are on normal commercial terms, we consider that the entering into of the Deed of Assignment is fair and reasonable so far as the Independent Shareholders are concerned.

***c. Tax Deed***

Pursuant to the Tax Deed, Hanison BVI shall undertake as to 60%, and Sky Champion and Mingly Corporation shall undertake jointly and severally as to 40%, to indemnify Jinshang International against any claim for liability to taxation that relate to matters arising prior to the Completion, whether made against any of the Target Companies before or after the date of Completion.

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## LETTER FROM BRIDGE PARTNERS

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We have reviewed the terms of the Tax Deed and are not aware of any term which is uncommon. Given that it was the commercial decision between the parties to include the delivery of the Tax Deed upon Completion by the Company to Jinshang International as a term of the Sale and Purchase Agreement, and that the terms of the Tax Deed are on normal commercial terms, we consider that the entering into of the Tax Deed is fair and reasonable so far as the Independent Shareholders are concerned.

### **5. Possible financial effects of the Disposal**

Upon Completion, Superior Choice and Excel Pointer will no longer be the subsidiaries of the Company and their financial results will no longer be consolidated in the financial statement of the Group.

According to the Interim Report, the Group's gearing ratio (calculated as net bank balance, being the total bank loans minus the bank balances and cash, divided by net asset value) as at 30 September 2014 was approximately 30%. The Disposal will allow the Group to reduce its gearing ratio as the Group will receive net cash of HK\$243.3 million (subject to adjustment, if any). Both the financial and cash positions of the Group will be strengthened accordingly.

As referred to the Letter from the Board, as a result of the Disposal, it is expected that the Group will be able to realise a capital gain after deduction of relevant expenses of approximately HK\$81 million, taken into account of 60% of equity interest in the Target Companies. As the Disposal will improve the Group's gearing ratio and reserve more cash for other business investment, we are of the opinion that the Disposal is in the interests of the Company and the Shareholders as a whole.

It should be noted that the aforementioned analyses are for illustrative purpose only and does not purport to represent how the financial position of the Group will be upon Completion.

### **RECOMMENDATION**

Having considered the above factors and reasons, in particular that:

- (i) the Disposal will allow the Company to realise a capital gain after deduction of relevant expenses of approximately HK\$81 million, taken into account of 60% of equity interest in the Target Companies. The proceeds will be used to repay bank loan, develop the existing Hong Kong Projects and the PRC Project and as working capital for Construction Works undertaken, finance any possible property investment project and/or other business investment and for general working capital of the Group;
- (ii) the consideration for the Sale Shares and the Sale Loans was determined with reference to the valuation of the Property prepared by DTZ as at 2 March 2015;

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## LETTER FROM BRIDGE PARTNERS

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- (iii) the appreciation in the value of the Property is significantly higher than the price indices of Grade A and Grade B private offices and therefore the Disposal offers a good opportunities for the Group to capture the appreciation in the value of the Property; and
- (iv) both the financial and cash positions of the Group will be strengthened after the Completion,

we are of the opinion that the Disposal is on normal commercial terms and in the ordinary and usual course of business of the Company.

We are also of the view that the Disposal is fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the relevant ordinary resolution(s) to be proposed at the EGM to approve the Disposal and recommend the Independent Shareholders to vote in favour of the relevant ordinary resolution(s) in this regard.

**Bridge Partners Capital Limited**

**1. FINANCIAL INFORMATION OF THE GROUP**

The published audited consolidated financial statements of the Group for the years ended 31 March 2012, 2013 and 2014 are disclosed in the annual reports of the Company for the years ended 31 March 2012, 2013 and 2014, and the financial information of the Group for the six months ended 30 September 2014 are disclosed in the interim report of the Company for the six months ended 30 September 2014, which can be accessed on the website of the Company ([www.hanison.com](http://www.hanison.com)) and the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

**2. WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the financial resources currently available to the Group and the estimated proceeds from the Disposal, in the absence of unforeseeable circumstance, the Directors are of the opinion that the Group has sufficient working capital for its present requirements for at least the next twelve months following the date of this circular.

**3. STATEMENT OF INDEBTEDNESS**

At the close of business on 28 February 2015, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had (i) bank loans of approximately HK\$744,900,000 of which (1) bank loans of HK\$464,900,000 were secured by certain leasehold land and buildings, investment properties, properties under development for sale of which HK\$145,500,000 were guaranteed by the Company's subsidiaries; and (2) bank loans of HK\$280,000,000 were unsecured and guaranteed by the Company's subsidiaries; (ii) amount due to non-controlling shareholder of a subsidiary of approximately HK\$76,222,000, which was unsecured and unguaranteed; and (iii) other long-term payable of approximately HK\$14,253,000, which was unsecured and unguaranteed.

As at 28 February 2015, the Group had pledged (i) investment properties with a total carrying amount of HK\$745,485,000; (ii) certain properties under development for sale with a total carrying amount of HK\$378,599,000 and (iii) certain leasehold land and buildings with a total carrying amount of HK\$23,487,000 to secure banking facilities granted to the Group. In addition, the Group had pledged bank deposits of HK\$84,208,000 to secure the bank loan borrowed by a joint venture as at 28 February 2015.

As at 28 February 2015, the Group has provided a corporate guarantee to a bank to secure banking facilities granted to a joint venture of approximately HK\$27,100,000, which represents the Group's proportionate share of the banking facilities utilised as at 28 February 2015.

As at 28 February 2015, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group is the defendant of the following legal cases, in which the Directors are of the opinion that the estimated contingent liabilities arising from the litigations cannot be reasonably ascertained.

During the year ended 31 March 2004, legal actions in respect of allegations of copyright infringement and defamation were taken against certain subsidiaries of the Company carrying on its health products business. No further steps have been taken against the Group in respect of such actions after the court hearing for directions to appoint experts and exchange witness statements took place in 2004. At 28 February 2015, the litigation is still ongoing and there is no further update to the case.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding at the close of business on 28 February 2015 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other contingent liabilities.

#### **4. MATERIAL CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2014, being the date to which the latest published audited financial statements of the Group were made up.

#### **5. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

During the six months ended 30 September 2014, the unaudited consolidated turnover was HK\$759,068,000 (for the six months ended 30 September 2013: HK\$763,545,000) and unaudited consolidated net profits after tax was HK\$148,358,000 (for the six months ended 30 September 2013: HK\$64,044,000).

The Group has been pursuing business opportunities to diversify its businesses into construction, interior and renovation works, supply and installation of building materials, property investment, property development, provision of property agency and management services and sales of health products over the years. The Group is continuously exploring investment opportunities to broaden the Group's revenue stream and enhance the Group's profitability.

The principal business of Excel Pointer is property investment and it is the legal and beneficial owner of the Property, currently being let. Save for the business of Excel Pointer, the Company currently intends to continue its existing business and there is no agreement, arrangement, understanding, intention or negotiation (concluded or otherwise) about any disposal, termination or scaling down of the Company's existing businesses or assets up to the Latest Practicable Date.

The Company will, from time to time, assess the performance and prospects of each of its existing business and may consider adjusting its business portfolio including but not limited to further investment and/or realisations, when opportunity arises to strive for the best interest of the Group and shareholders of the Company.

*The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this circular received from DTZ Debenham Tie Leung Limited, an independent valuer, in connection with the valuation of the Property as at 2 March 2015:*



16th Floor, Jardine House  
1 Connaught Place  
Central  
Hong Kong

24 April 2015

The Directors  
Hanison Construction Holdings Limited  
Unit 1, 4/F, Block B  
Shatin Industrial Centre  
5-7 Yuen Shun Circuit  
Shatin  
New Territories

Dear Sirs,

**Re: CentreHollywood, 151 Hollywood Road, Sheung Wan, Hong Kong. (“the Property”)**

**Instructions, Purpose & Date of Valuation**

We refer to your instructions for us to carry out a market valuation of the Property in which Hanison Construction Holdings Limited (the “Company”) has an interest. We confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the value of the Property as at 2 March 2015 (the “Date of Valuation”).

**Basis of Valuation**

Our valuation of the Property represents its market value which in accordance with the HKIS Valuation Standards (2012 Edition) published by the Hong Kong Institute of Surveyors is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

**Valuation Assumptions**

Our valuation excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property nor any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of any onerous nature which could affect its value.

**Method of Valuation**

As the Property is held by the Company for investment, we have valued it by Investment Approach by capitalising the rental income derived from the existing tenancies with due provision for any reversionary income potential and have cross-checked the result by making reference to comparable sale transactions.

**Source of Information**

We have relied to a very considerable extent on the information given by the Company and have accepted advice given to us on such matters as planning approvals, statutory notices, easements, tenure, identification of Property, particulars of occupancy, floor areas and all other relevant matters. Dimensions and measurements are based on the copies of documents or other information provided to us by the Company and are therefore only approximations. No on-site measurement has been carried out.

**Title Investigation**

We have not been provided with copies of the title documents relating to the Property but have caused searches to be made at the Land Registry. However, we have not searched the original documents to verify ownership or to ascertain any amendments. All documents have been used for reference only and all dimensions, measurements and areas are approximate.

**Site Inspection**

Our valuer, Angelina Kwok (MHKIS), inspected the exterior and wherever possible, the interior of the Property on 12 February 2015. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not, however, able to report whether the Property is free of rot, infestation or any other structural defects. No test was carried out on any of the services.

We enclose herewith our valuation certificate.

Yours faithfully,  
For and on behalf of  
**DTZ Debenham Tie Leung Limited**

**K. B. Wong**  
*MHKIS, RPS(GP)*  
*Senior Director, Valuation & Advisory Services*

*Note:* Mr. K.B. Wong is a Registered Professional Surveyor (General Practice) who has over 30 years' property valuation experience in Hong Kong.

## VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 2 March 2015												
CentreHollywood, 151 Hollywood Road, Sheung Wan, Hong Kong	The Property comprises a 26-storey plus lower ground floor commercial building completed in 1994.	Ground and first floors are let together for a term of 3 years from 1 October 2012 to 30 September 2015 at a monthly rent of HK\$135,000. Except for a total area of approximately 18,818 sq.ft. (1,748.23 sq.m.) which is vacant, the office portions are let to various tenants for terms of mostly 1 to 2 years with the latest tenancy due to expire in December 2016 at a total rent of about HK\$538,000 per month, inclusive of rates, management fees, electric charges, water charges, utilities charges, Government rent and the use of various office provisions. In addition, the roof is licensed out for use of various radio base stations at a total licence fee of about HK\$77,000 per month.	HK\$550,000,000  (60% interest attributable to the Company: HK\$330,000,000)												
The Remaining Portion of Sub-section 1 of Section E, the Remaining Portion of Sub-section 2 of Section E and the Remaining Portion of Section E of Inland Lot No. 853	The Property has a total gross floor area of approximately 32,728 sq.ft. (3,040.381 sq.m.).  The breakdown of the total gross floor area is  <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>sq.ft.</th> <th>sq.m.</th> </tr> </thead> <tbody> <tr> <td>G/F (shop)</td> <td>1,298</td> <td>120.616</td> </tr> <tr> <td>Upper floors (office)</td> <td><u>31,430</u></td> <td><u>2,919.765</u></td> </tr> <tr> <td></td> <td><u><u>32,728</u></u></td> <td><u><u>3,040.381</u></u></td> </tr> </tbody> </table>		sq.ft.	sq.m.	G/F (shop)	1,298	120.616	Upper floors (office)	<u>31,430</u>	<u>2,919.765</u>		<u><u>32,728</u></u>	<u><u>3,040.381</u></u>		
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	<u><u>32,728</u></u>	<u><u>3,040.381</u></u>													
	The locality of the Property is characterised by a mixture of commercial and residential developments of various ages.  The Property is held from the Government under a Government Lease for a term of 999 years from 5 February 1877. The current Government rent payable for the lots is HK\$32 per annum.														

## Notes:

- (1) The registered owner of the Property is Excel Pointer Limited in which the Company has an attributable interest of 60% and Sky Champion International Limited has an attributable interest of 40%.
- (2) The Property is subject to an Offensive Trade Licence vide Memorial No. 08061700390013 dated 27 May 2008.
- (3) The Property is subject to a Mortgage to secure all moneys in respect of general banking facilities in favour of The Bank of East Asia, Limited.
- (4) The Property is zoned for "Residential (Group A)8" use under Sai Ying Pun & Sheung Wan Outline Zoning Plan No. S/H3/29.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm, that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Directors' Interests

As at the Latest Practicable Date, the interests and short positions, if any, of the Directors or the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

#### *Long positions in the Shares and underlying Shares*

##### (i) Ordinary Shares of HK\$0.10 each of the Company

Name of Director	Capacity	Number of ordinary shares			Total	Approximately percentage of issued share capital
		Personal interests	Corporate interests	Other interests		
Cha Mou Sing, Payson	(1) Beneficial owner; (2) Interest of controlled corporation; and (3) Beneficiary of discretionary trusts	735,712	3,574,272 (Note 1)	115,666,069 (Note 2)	119,976,053	22.37%
Cha Mou Daid, Johnson	Beneficiary of discretionary trusts	-	-	117,865,219 (Note 2)	117,865,219	21.98%
Wong Sue Toa, Stewart	(1) Beneficial owner; and (2) Interest of controlled corporation	4,499,285	3,416,780 (Note 3)	-	7,916,065	1.48%
Tai Sai Ho	Beneficial owner	456,018	-	-	456,018	0.09%

*Notes:*

- (1) The shares are held by Accomplished Investments Ltd., in which the relevant director is deemed to be interested by virtue of Part XV of the SFO.
- (2) These shares are held under certain but not identical discretionary trusts, of which Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson are among the members of the class of discretionary beneficiaries.
- (3) Mr. Wong Sue Toa, Stewart's corporate interests in the Company arise from the fact that he owns 50% of the share capital of Executive Plaza Limited, which holds 3,416,780 shares of the Company.

(ii) *Share options granted to the Directors pursuant to the share option scheme adopted by the Company on 21 September 2011*

Name of Director	Number of share options outstanding as at the Latest Practicable Date	Approximately percentage of issued share capital	Date of grant	Exercisable period	Exercise price (HK\$)
Cha Mou Sing, Payson	5,360,000	1.00	26 November 2014	26 November 2014 to 25 November 2019	1.35
Cha Mou Daid, Johnson	2,680,000	0.50	26 November 2014	26 November 2014 to 25 November 2019	1.35
Wong Sue Toa, Stewart	5,360,000	1.00	26 November 2014	26 November 2014 to 25 November 2019	1.35
Tai Sai Ho	2,680,000	0.50	26 November 2014	26 November 2014 to 25 November 2019	1.35
Chan Pak Joe	536,000	0.10	26 November 2014	26 November 2014 to 25 November 2019	1.35
Lam Chat Yu	536,000	0.10	26 November 2014	26 November 2014 to 25 November 2019	1.35
Lau Tze Yiu, Peter	412,000	0.08	26 November 2014	26 November 2014 to 25 November 2019	1.35
Sun Tai Lun	536,000	0.10	26 November 2014	26 November 2014 to 25 November 2019	1.35

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company or their respective associates held any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange.

**(b) Substantial Shareholders' Interests**

So far as is known to each Director or the chief executive of the Company, as at the Latest Practicable Date, the following persons, other than a Director or the chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

***Long position in the Shares***

Name of shareholder	Capacity	Number of ordinary shares	Approximate percentage of issued share capital
Great Wisdom Holdings Limited ("Great Wisdom") (Note a)	Beneficial owner	127,767,230	23.8%
HKR International Limited ("HKRI") (Note a)	(1) Beneficial owner; and (2) Interest of controlled corporation	262,795,006	49.0%
CCM Trust (Cayman) Limited ("CCM Trust") (Note b)	(1) Trustee; and (2) Interest of controlled corporation	366,277,599	68.3%

*Notes:*

- (a) Great Wisdom is a wholly owned subsidiary of HKRI and therefore HKRI is deemed to be interested in the 127,767,230 shares held by Great Wisdom in accordance with the SFO. Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, all being the Directors, are also directors of HKRI.
- (b) These share interests comprise 103,482,593 shares directly held by CCM Trust, 262,795,006 shares indirectly held through HKRI. As CCM Trust controls more than one-third of the share capital of HKRI (held as to approximately 41.48% by CCM Trust), it is deemed to be interested in the respective share interests of this company. CCM Trust is holding these shares as the trustee of certain but not identical discretionary trusts of which members of the Cha Family (comprising, inter alia, Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson, all being the Directors) are among the discretionary objects. Mr. Cha Mou Sing, Payson is also a director of CCM Trust.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company was aware of any other person, other than a Director or the chief executive of the Company, who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

### 3. DIRECTORS' INTERESTS

- (a) As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation, other than statutory compensation).
- (b) As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which have, since 31 March 2014 (being the date to which the latest published audited consolidated financial statements of the Company were made up), been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by, or leased to, any member of the Group (excluding for these purposes the indirect interests of Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson in the Target Companies the subject of the Disposal).
- (c) Save as disclosed in this circular in respect of the Disposal (including the terms of the Sale and Purchase Agreement, the Deed of Assignment, the Tax Deed and the transactions contemplated thereunder), none of the Directors was materially interested in any contract or arrangement subsisting at the date of this circular and which is significant in relation to the business of the Group.

#### 4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, the interests of the Directors in businesses (apart from businesses of the Group) which compete or were likely to compete, either directly or indirectly, with the principal businesses of the Group as required to be disclosed pursuant to the Listing Rules were as follows:

Name of director (Note i)	Name of company	Nature of interest	Competing business (Note ii)
Cha Mou Sing, Payson	HKRI	Director of HKRI and a member of the class of discretionary beneficiaries of certain but not identical discretionary trusts of which the trustees are deemed substantial shareholders of HKRI under Part XV of the SFO	(a) Property development and investment (b) Property management, leasing and marketing services
	New World Development Company Limited ("NWDCL")	Independent Non-executive Director of NWDCL	(a) Property development and investment (b) Property management, leasing and marketing services
	Champion Real Estate Investment Trust ("CREIT")	Independent Non-executive Director of Eagle Asset Management (CP) Limited, the manager of CREIT	(a) Property investment (b) Property management, leasing and marketing services
Cha Mou Daid, Johnson	HKRI	Director of HKRI and a member of the class of discretionary beneficiaries of certain but not identical discretionary trusts of which the trustees are deemed substantial shareholders of HKRI under Part XV of the SFO	(a) Property development and investment (b) Property management, leasing and marketing services

*Notes:*

- (i) Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson are non-executive directors of the Company, who are not involved in the daily management of the Group. Accordingly, the Company is capable of carrying its business independently of, and at arms-length from the above mentioned competing business.
- (ii) Such businesses may be made through subsidiaries, affiliated companies or by way of other forms of investments.

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective associates was interested in any business apart from the Group's businesses, which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

## **5. LITIGATION**

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group, except the legal actions in respect of allegations of copyright infringement and defamation were taken during the financial year ended 31 March 2004 against certain subsidiaries of the Company carrying on its health products business. No further steps have been taken against the Group in respect of such actions after the court hearing for directions to appoint experts and exchange witness statements took place in 2004. The Directors are of the opinion that in view of the uncertainty it is not practicable to assess the financial effect.

## **6. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2014, being the date to which the latest published audited financial statements of the Group were made up.

## **7. QUALIFICATION AND CONSENT OF EXPERT AND EXPERT'S INTERESTS**

The following are the qualifications of the experts who have given opinion or advice which is contained in this circular:

<b>Name</b>	<b>Qualification</b>
DTZ Debenham Tie Leung Limited	An independent professional property valuer
Bridge Partners Capital Limited	Independent Financial Adviser

As at the Latest Practicable Date, none of the above experts has:

- (a) any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (b) any interest, direct or indirect, in any assets which have been, since 31 March 2014 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

The above experts have given and have not withdrawn their written consents to the issue of this circular with the inclusion of their letters and references to their names included herein in the form and context in which they appear.

## 8. GENERAL

- (a) The registered office of the Company is located at P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business in Hong Kong is located at Unit 1, 4/F., Block B, Shatin Industrial Centre, 5-7 Yuen Shun Circuit, Shatin, New Territories, Hong Kong.
- (b) The share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (c) The company secretary of the Company is Mr. Lo Kai Cheong, who is a member of CPA Australia (CPA (Aust.)) and a fellowship member of Hong Kong Institute of Certified Public Accountants (FCPA) and Association of International Accountants (FAIA).
- (d) The English text of this circular shall prevail over the Chinese text.

## 9. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding the date of this circular and are, or may be, material:

- (a) a sale and purchase agreement dated 10 February 2014 entered into between Exceed Advance Limited (a wholly owned subsidiary of the Company) ("**Exceed Advance**") as purchaser, and AG Acquisition G (BVI) L.P. ("**AG LP**") as vendor, regarding the acquisition of 25% interest in a piece of land located at Sha Tin Town Lot No. 603, Lok Lam Road, Fo Tan, New Territories (the "**Lok Lam Road Property**") (which is in turn held by AG Acquisition M (BVI) Limited ("**AG BVI**") through its wholly owned subsidiary) at a consideration of HK\$5,019,584.50. Further details of the sale and purchase agreement are set out in the announcement of the Company dated 10 February 2014;
- (b) a loan assignment dated 10 February 2014 entered into among Exceed Advance as assignee, AG LP as assignor, and AG BVI as debtor, regarding the assignment of a shareholder's loan in the sum of HK\$5,019,389.50 (representing 25% of the shareholder's loan outstanding from AG BVI to AG LP) to Exceed Advance. Further details of the loan assignment are set out in the announcement of the Company dated 10 February 2014;

- (c) a shareholders deed dated 10 February 2014 entered into among Exceed Advance as shareholder, AG LP as shareholder, and AG BVI as subject company, regarding the management of AG BVI and the construction, development, management and marketing and sale of the Lok Lam Road Property referred to in (a) above (the “**Lok Lam Project**”);
- (d) a shareholder loan agreement dated 10 February 2014 entered into Exceed Advance as lender, AG LP as lender, and AG BVI as borrower, pursuant to which each of Exceed Advance and AG LP agreed to advance unsecured and interest free shareholder loans of HK\$5,019,389.5 and HK\$15,058,168.5 respectively and further advance shareholder loans (if needed) on a pro rata basis according to their then shareholdings in AG BVI for the purposes of lending to Eltara Limited (“**Eltara**”) to satisfy its payment obligations for purchase of the Lok Lam Road Property. Further details of the shareholder loan agreement are set out in the announcement of the Company dated 10 February 2014;
- (e) a project management deed dated 10 February 2014 entered into among Hanison Project Management Limited (a wholly owned subsidiary of the Company) (“**Hanison PM**”) as project manager, AG LP as the shareholder of Eltara and Eltara as the beneficial owner of the Lok Lam Road Property and the Lok Lam Project at a project management fee of 1% on construction cost incurred on the Lok Lam Project and a marketing fee of 0.5% of the gross sale proceeds of the Lok Lam Project, regarding the appointment of Hanison PM as an independent contractor to manage, supervise and control the Lok Lam Project;
- (f) a provisional agreement for sale and purchase dated 17 November 2014 entered into Emwell Limited (a wholly owned subsidiary of the Company) (“**Emwell**”) as vendor and Fondation Investment Limited (“**Fondation**”) as purchaser, regarding the disposal of the Group’s entire interest in a property which is located at Workshops 1-15 (inclusive) on the 6th Floor (including the flat roofs of workshops 1 and 2 and the roof immediately above workshops 2-14 (inclusive)) of Block A of Shatin Industrial Centre, Nos. 5-7 Yuen Shun Circuit, Shatin, New Territories, Hong Kong (the “**Yuen Shun Circuit Property**”) at a consideration of HK\$108,380,000. Further details of the provisional sale and purchase agreement are set out in the announcement of the Company dated 17 November 2014;
- (g) a formal agreement for sale and purchase dated 15 December 2014 entered into between Emwell as vendor and Fondation as purchaser, regarding the disposal of the Yuen Shun Circuit Property referred to in (f) above; and
- (h) the Sale and Purchase Agreement.

**10. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at Unit 1, 4/F., Block B, Shatin Industrial Centre, 5-7 Yuen Shun Circuit, Shatin, New Territories, Hong Kong, during normal business hours on any business day from the date of this circular until 14 days hereafter:

- (a) the Sale and Purchase Agreement;
- (b) the memorandum of association and bye-laws of the Company;
- (c) the property valuation report of DTZ Debenham Tie Leung Limited the text of which is set out in Appendix II to this circular;
- (d) the written consents referred to in the paragraph headed “Qualification and Consent of Expert” in this Appendix;
- (e) the annual reports of the Company for the three financial years ended 31 March 2012, 2013 and 2014, respectively;
- (f) the interim report of the Company for the six months ended 30 September 2014;
- (g) the material contracts referred to in the section headed “Material Contracts” in this Appendix;
- (h) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (i) the letter from the Independent Financial Adviser, the text of which is set out in this circular; and
- (j) this circular.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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# 興勝創建控股有限公司 HANISON CONSTRUCTION HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 00896)

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of Hanison Construction Holdings Limited (the “**Company**”) will be held at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 19 May 2015 at 11:30 a.m., for the purposes of considering and, if thought fit, passing, with or without modification, the following resolution which will be proposed as an ordinary resolution of the Company:

### ORDINARY RESOLUTION

“THAT:

- (a) the sale and purchase agreement dated 19 March 2015 entered into between Hanison Construction Holdings (BVI) Limited as vendor, Sky Champion International Limited as vendor, Mingly Corporation as guarantor, Jinshang International Investment Company Limited as purchaser (the “**Sale and Purchase Agreement**”), in respect of which a copy of the Sale and Purchase Agreement marked “A” has been produced to the meeting and signed by the chairman of the meeting for the purpose of identification; the deed of assignment to be entered into between Hanison Construction Holdings (BVI) Limited as assignor, Sky Champion International Limited as assignor and Jinshang International Investment Company Limited as the assignee with the consent of Superior Choice Holdings Limited (the “**Deed of Assignment**”), in respect of which a copy of the Deed of Assignment marked “B” has been produced to the meeting and signed by the chairman of the meeting for the purpose of identification; the tax deed to be entered into between Hanison Construction Holdings (BVI) Limited, Sky Champion International Limited, Mingly Corporation as guarantor for Jinshang International Investment Company Limited and Excel Pointer Limited (the “**Tax Deed**”), in respect of which a copy of the Tax Deed marked “C” has been produced to the meeting and signed by the chairman of the meeting for the purpose of identification, and the terms of which and the transactions contemplated thereunder (the “**Disposal**”) and all such documents ancillary to the Disposal be and are hereby approved, ratified and confirmed; and

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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(b) any one or more of the directors of the Company and/or its subsidiaries (as appropriate) be and is/are hereby authorised for and on behalf of the Company and/or its subsidiaries (as appropriate) to do all such acts and things incidental to, ancillary to or in connection with the Disposal and execute all such documents (in case of execution of documents under seal, to do so by any two directors of the Company and/or its subsidiaries (as appropriate) or any director of the Company and/or its subsidiaries (as appropriate) together with the secretary of the Company and/or its subsidiaries (as appropriate)) and to take such steps which he/they may consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Disposal and the transactions contemplated thereunder.”

By Order of the Board  
**WONG Sue Toa, Stewart**  
*Managing Director*

Hong Kong, 24 April 2015

*Notes:*

1. The register of members of the Company will be closed from 15 May 2015 to 19 May 2015 (both days inclusive) for the purpose of determining the identity of the members of the Company who are entitled to attend and vote at the EGM (or at any adjournment thereof). In order to be eligible to attend and vote at the EGM (or at any adjournment thereof), all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 14 May 2015.
2. Any member of the Company entitled to attend and vote at the EGM convened by the above notice (or at any adjournment thereof) is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by reference to the order in which the names stand on the register of members in respect of the joint holding.
4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a member from attending and voting in person at the meeting (or at any adjournment thereof) should he so wish.
5. With regard to the proposed resolution above, CCM Trust (Cayman) Limited, Mr. Cha Mou Sing, Payson and Mr. Cha Mou Daid, Johnson and their respective close associates (which for the avoidance of doubt, includes HKR International Limited) will abstain from voting.
6. The registration of the EGM will start at 11:00 a.m. on 19 May 2015. In order to ensure the meeting can start on time, shareholders or their proxies are encouraged to arrive for registration at least 15 minutes before the meeting starts.